



June 19, 2013

Senator Thune
United States Senate
511 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Thune:

On behalf of the National Federation of Independent Business (NFIB), the nation's leading small business advocacy organization, thank you for introducing S. 1183, the *Death Tax Repeal Act of 2013*, which would repeal the estate tax.

Much of the cost of the estate tax occurs before it is levied. Individual small business owners make decisions thinking that they may incur the estate tax—regardless of whether they ever do. As a result, a large portion of them make unnecessary, even wasteful, expenditures on products and services—such as financial planning and insurance—that they may never require, depriving the business of investment capital that could more productively be used for other purposes, including business growth. A recent NFIB study confirms this fact: 34 percent of NFIB members have incurred expenses in the last five years in order to protect themselves and their heirs from estate tax liability, and another 15 percent expect to do so in the future.

According to the NFIB Research Foundation, out of an estimated 2.5 million family businesses, 48 percent expect a family member to take over the business. The estate tax remains an ongoing threat for family-owned businesses continuing their operations from one generation to the next. For many small business owners, the value of their “estate” is in the physical assets of the business, meaning to pay the tax they have to sell the actual parts of the business.

While NFIB has supported efforts that exempt many small businesses from the estate tax, the only way to ensure that all small business owners and their families are protected from the tax is to fully and permanently repeal it. NFIB has long supported full repeal, and strongly supports your legislation.

Thank you again for your leadership in supporting America's small businesses, and I look forward to working with you in the 113th Congress.

Sincerely,

A handwritten signature in black ink that reads "Susan Eckerly". The signature is fluid and cursive, with a long, sweeping underline.

Susan Eckerly
Senior Vice President
Public Policy